

**A RESOLUTION
BY TRANSPORTATION COMMITTEE**

**A RESOLUTION AUTHORIZING THE MAYOR TO
EXECUTE A LEASE AGREEMENT WITH AMERICAN
AIRLINES, INC. FOR THE OCCUPANCY AND USE OF
WAREHOUSE SPACE IN THE NORTH CARGO
BUILDING AT HARTSFIELD-JACKSON ATLANTA
INTERNATIONAL AIRPORT; AND FOR OTHER
PURPOSES.**

WHEREAS, the City of Atlanta (“City”) has developed the North Cargo Building at Hartsfield-Jackson Atlanta International Airport (“Airport”) for air cargo and air freight business at the Airport; and

WHEREAS, American Airlines, Inc. (“American Airlines”) is engaged in the air cargo and air freight business and has requested to lease of space in the North Cargo Area; and

WHEREAS, the Airport has negotiated lease terms with existing tenants, including American Airlines, and will submit such terms for approval by Council; and

WHEREAS, the term of a lease with American Airlines shall not exceed December 31, 2013; and

WHEREAS, the payment of rental for the lease of space shall be computed at rates that are applicable to all tenants in the North Cargo Facility; and

WHEREAS, the payment of an operating and maintenance charge (“O&M Charge”) will be based on the actual cost incurred by the City for operating and maintaining the common use areas and facilities and the common utilities of the North Cargo Building. The O&M Charge will be subject to periodic reconciliation against the City’s actual incurred cost, at the tenants’ expense or benefit; and

WHEREAS, American Airlines, at no expense to the City, shall be responsible for maintenance and repairs of the leased premises; and

WHEREAS, the Aviation General Manager has determined that sufficient space is available in the North Cargo Building to meet American Airlines’ requirements and has recommended that the City enter into a lease agreement on the conditions hereinbefore set forth and as otherwise appropriate.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA, that the Mayor is authorized to execute, on behalf of

the City of Atlanta, a lease agreement with American Airlines, which shall provide for the occupancy and use by American Airlines in the North Cargo Building for a term not to exceed December 31, 2013 at a rental payment for improvements computed at rates that are applicable to all tenants in the North Cargo Facility and where all maintenance and repairs of the premises shall be at the expense of American Airlines.

BE IT FURTHER RESOLVED, that the City Attorney is directed to prepare said lease agreement for execution by the Mayor, with same to be approved as to form by the City Attorney.

BE IT FINALLY RESOLVED, that said Agreement shall not become binding on the City and the City shall incur no liability hereunder until the same has been signed by the Mayor and delivered to American Airlines.



Hartsfield-Jackson Atlanta
International Airport

LOCATION:

NORTH CARGO BUILDING

TITLE:

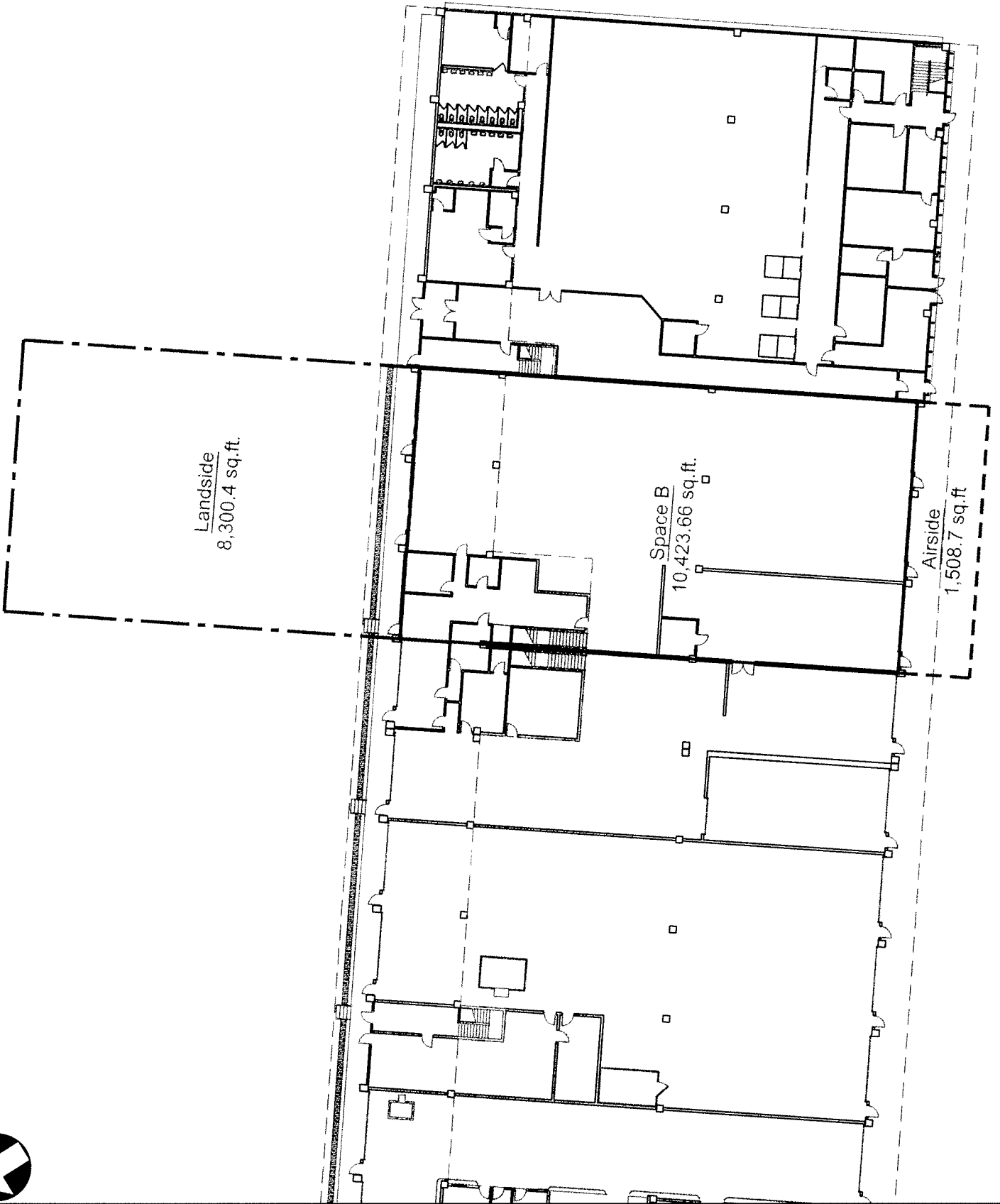
AMERICAN AIRLINES, INC
H-JAIA LEASE AGREEMENT

NAME:

EXHIBIT 'A'

DATE:
3/31/2008
SHEET:

1 of 1



Part II: Legislative White Paper: (This portion of the Legislative Request Form will be shared with City Council members and staff)

A. To be completed by Legislative Counsel:

Committee of Purview:

Caption:

Council Meeting Date:

Requesting Dept.:

FAC Confirmed by:

B. To be completed by the department:

1. Please provide a summary of the purpose of this legislation (Justification Statement).

The purpose of this legislation is to authorize the execution of a Lease Agreement with American Airlines.

2. Please provide background information regarding this legislation.

American Airlines (American) previously conducted its operations at the North Cargo Building under an operating agreement with Aircraft Service Group International (ASIG), whose lease with the City expired January 3, 2004. ASIG continued to manage the North Cargo Building until the City gave notice to ASIG to cease operation of the building and vacate the premises effective July 1, 2006. At that time, the City recovered the space and assumed management of the building and the aircraft parking ramp.

The City through the Department of Aviation has reached agreement with American on various terms for the lease of space in the North Cargo Building .

3. If Applicable/Known:

(a) **Contract Type (e.g. Professional Services, Construction Agreement, etc):**

(b) **Source Selection:**

(c) **Bids/Proposals Due:**

(d) Invitations Issued:

(e) Number of Bids:

(f) Proposals Received:

(g) Bidders/Proponents:

(h) Term of Contract:

4. Fund Account Center (Ex. Name and number):

Fund: _____ Account: _____ Center: _____

5. Source of Funds: *Example: Local Assistance Grant*

6. Fiscal Impact:

Example: This legislation will result in a reduction in the amount of _____ to Fund Account Center Number _____.

7. Method of Cost Recovery: Rental revenues

Examples:

- a. Revenues generated from the permits required under this legislation will be used to fund the personnel needed to carry out the permitting process.*
- b. Money obtained from a local assistance grant will be used to cover the costs of this Summer Food Program.*

This Legislative Request Form Was Prepared By: H. Jason Terreri

TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE

ATTN: GREG PRIDGEON

Dept.'s Legislative Liaison: Anita Williams

Contact Number: 404-530-6600

Originating Department: Aviation

Committee(s) of Purview: Transportation

Chief of Staff Deadline: 10/15/09

Anticipated Committee Meeting Date(s): 10/28/09

Anticipated Full Council Date: 11/02/09

Commissioner Signature: Maud B.

CAPTION

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A LEASE AGREEMENT WITH AMERICAN AIRLINES, INC. FOR THE OCCUPANCY AND USE OF WAREHOUSE SPACE IN THE NORTH CARGO BUILDING AT HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT; AND FOR OTHER PURPOSES.

FINANCIAL IMPACT (if any)

Mayor's Staff Only

Received by CPO: _____ (date) Received by LC from CPO: _____ (date)

Received by Mayor's Office: 10/13/09 (date) Reviewed by: [Signature] (date)

Submitted to Council: _____ (date)